



employer advisor

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Help Reduce Overall Benefit Costs—

Your prompt response to Form 613 helps ensure Unemployment Insurance Benefits are paid only to those who are eligible

The Department of Workforce Services (DWS) mails Form 613 Wage Information Request to employers as a way to reduce overall benefit costs by ensuring that benefits are paid only to those who are eligible. Information submitted to DWS suggests an Unemployment Insurance (UI) claimant may have been paid unemployment benefits incorrectly. Utah employers who have submitted the requested information have helped DWS garner more than \$20 million dollars this year in overpayments and fraud penalties.

Most Forms 613 are sent after:

- An employer has reported an employee to the Utah New Hire Registry and the date of hire coincides with a week that this new employee has filed for UI benefits.
- An employer has submitted quarterly wage information for an employee who collected UI benefits during the same calendar quarter.

Sending a Form 613 may not necessarily indicate that a claimant provided incorrect information. However, a question exists suggesting that the claim merits closer examination. This approach ensures that employers are only asked to provide a claimant's earnings history when necessary.

DWS pays benefits after an eligible claimant submits a weekly (Sunday to Saturday) account of his/her availability for work and the efforts made to secure full-time employment. Additionally, every claimant must report any earnings during the calendar week for which benefits are requested. The Form 613 addresses the possibility that a claimant provided inaccurate earnings information while filing the weekly claim.

Though an employer who receives a Form 613 may not have been charged benefit costs for this particular claim, DWS still needs a prompt response. To verify a claimant's report of his/her calendar week earnings, DWS must receive the employer's report showing the same calendar week's earnings. DWS cannot audit the UI claimant's weekly earnings reports if the employer provides only bi-weekly or semi-monthly wages on the Form 613. Lastly, gross wages must be reported based on when the employee worked, not when payment was made.

The DWS Executive Director, Kristen Cox, is committed to ensuring the integrity of the trust fund. The National Foundation for Unemployment Compensation and Workers Compensation awarded Utah the 2011 National UI Integrity Award for our commitment to preserving the integrity of the unemployment system.

FOR HELP in completing the Form 613, please call the Benefit Payment Control Unit at (801) 526-9727. To ask questions regarding an actual claim, call (801) 526-4400 or (888) 848-0688 and select option 4.

The 2012 Unemployment Insurance Contribution Rates

The Utah Employment Security Act requires the Department of Workforce Services (DWS) to calculate the Unemployment Insurance (UI) contribution rate for the upcoming calendar year. DWS reviews the adequacy of the Trust Fund while also determining the amount of social costs that must be recovered.

The Reserve Factor is a multiplier that adjusts up or down, depending on the adequacy of the Trust Fund.

The Reserve Factor will be reduced from 1.45 for 2011 to 1.3 for 2012.

Social costs, shared equally by all employers, are those benefit costs that cannot be charged back to a specific employer and are thus shared by all employers. Social costs have increased for the 2012 rate calculation because, among other reasons, more businesses have closed their doors. These businesses cannot be charged benefit costs for their former employees' UI benefits. Consequently, all remaining businesses share those costs. The 2012 social cost will be .5% compared to the 2011 social cost of .4%.

Unlike many states, the Utah Unemployment Insurance Trust Fund remains solvent and has not been forced to borrow funds to pay benefits. The Utah Department of Workforce Services remains sensitive to contribution rates and has implemented multiple strategies the past few years to help preserve the integrity of the fund.

What Are the Reports that Employers Must Submit Each Quarter?

Some employers struggle to submit their quarterly reports by the required timelines. That causes processing delays for the Department of Workforce Services (DWS) Unemployment Insurance Division. In addition, employers are assessed late filing penalties. The following two paragraphs review the required timelines and the applicable penalties.

Most employers who pay wages in Utah must submit a quarterly Unemployment Insurance Contribution Report with the department. This report must be filed either by entering the data on the DWS web site located at jobs.utah.gov or mailing the paper Form 33H to this department. We encourage you to use our secure and easy to use web site. Regardless of the filing method, an employer must include an accounting of each employee and the wages earned during that quarter. The quarterly Unemployment Insurance Contribution Report, including the wage list, must be submitted by the last day of the month following the end of the quarter.

Please note that penalties are assessed for failure to submit the report or the wage list timely. Specifically, Section 35A-4-305(1)(b) of the Utah Employment Security Act states that a penalty for failure to file the Employer Quarterly Wage List and Contribution Report by the due date is 5% of the contribution due for each 15 days that the report is late, with a maximum penalty up to 25% and a minimum not less than \$25.00. In addition, Section 35A-4-305(8) of the Act authorizes this department to assess a penalty for failure to submit detailed employee wage information for each calendar quarter. This penalty is assessed at \$50.00 for each 15 days the wage data is late. The maximum penalty in this case is capped at \$250.00.

If you have questions, please contact us at 801-526-9235 or 800-222-2857. A DWS representative will assist you.

